

USAFMCOM OPERATIONAL SUPPORT



Conducting the Internal Control Visit

"What gets checked, gets done!"



Conducting the IC Visit

- **■** Plan
- **#** Schedule
- # Travel
- **♯** Required Items
- **■** In Brief
- **♯** Types of Reviews
- **#** Checklists

- **#** Interviews
- **#** Grading
- **#** Documentation
- **#** Reporting
- **#** Outbrief
- **♯** Loss of funds
- **L** Current Trends



Scheduling



- **♯** Schedules are only approximate
 - Impacted by travel
 - One team took 3 days to get to Bagram and 5 days to get back – for a cash count that took 2 hours.
 - Flights to some remote sites are infrequent
 - Can run into issues
 - NEVER leave a site until complete and documentation is issued/presented.
- **■** Work with FMSU IC teams and FM SPO so they know the schedule
- **■** Use your operations cell to help with travel



Travel



- **IC** Team Members
- **#**Arrangements IAW SOP
- **#**PCC/PCI Critical
 - Laptop
 - Calculator
 - Appointment Orders/MFR's
 - Theater Checklists
 - FMC Policies
 - Regulations (AR 11-37, AR 11-2, DFAS-IN 37-100, ETC...)
 - DODFMR, JFTR, SOP's, etc...



In Brief



- #Commander, Section Chiefs, Invitees
- **#**Clear Communication Critical
- **#**Sets the tone for the visit
- **#**Attitude is Critical
- **#**Purpose
- **#**Scope
- **#**Grading
- #Schedule



Types of Reviews



- **♯** Operational Reviews
 - Evaluate overall processes/Requires feedback from CMDR
- **■** Cash Certification
 - Verify Accountability
- **♯** Post Payment Reviews
 - Verify accuracy of documentation
- **♯** Special Reviews
 - (one time reviews on single focus topic,
 - e.g. Paying Agents)
- **♯** Courtesy Inspections
 - Performed prior to initial OR
- **♯** Assistance Visits
 - Help fix a problem requires specialized skills



Special Reviews



- **♯** Focused reviews on specific subject
- # Generally requested by CMDR, DO or DA
- **#** Education Driven
- #Area of concern
- **♯** Report by AAA Audit Agency



Courtesy Review



- **■** Operational review without penalty
- **#**Provides unit with written notice of deficiencies
- Penalty occurs if fraud or abuse detected
- **#** Availability driven
- **■** Written feedback from Commander



Assistance Visit



- **■** Requested by unit
- #Offered if trends indicate need
- **#**Provides assistance and education
- #On the spot correction



IC Checklists



- **#** By Section
- **#** Living documents
- **#** Compliance Ratings
 - Yes
 - No
 - N/I
 - N/A



Checklists



- **♯** Company Disbursing
- **#**OTCnet
- # CVS
- **♯** Customer Service
- **♯**DA/DDO Disbursing
- **♯** Eagle Cash Card
- **♯**Treasury Checks
- **♯** Reserve Pay
- # RIPTOA
- **♯**General Disbursing

- **♯** Finance Operations
- **♯** In-Out Processing
- **♯** Internal control
- **#** Paying Agents
- **#** Processing
- **♯** Systems Administration
- **♯** Travel
- **#** Local Pay
- **♯** Cash Verifications
- **■** Internal Control



Interviewing



- **♯** Gain information about process -
- Don't just look see, don't just listen hear and understand. Avoid assumptions
- **■** Interactive process
 - Strong listening skills Individuals want to tell you how much they know if you let them.
 - Evaluate what you hear/see for validity
 - Colombo approach (avoid confrontation unless all else fails - generally a sign of BAD things)
 - Make unobtrusive notes but do not hide
 - Praise strong points
- If processes are broken assist do not just note issues
- Never assume they are wrong and you are right



Grading



- **♯**Green Full compliance
- **#**Amber Warning
- #Red Failure
- **#**Be consistent in grading from site to site.
- **#**Considering adding critical items such as:
 - Failure to balance completely
 - Processes not documented (NO SOPs)
 - Recognize outstanding Soldiers/Sections



Documentation



- **#**Gather supporting documents for areas of concern or interest.
 - DDS user list and screen print of access rights
 - Agents list from DDS with date of last DD 1081
 - CVS reports from GFEBS/CAPSW
- #If it is not documented it is hard to support
- **♯**If not documented not done.



Out Brief



- **#**Commander, Section Chiefs, Invitees
- **♯** Formal Briefing/Slide Presentation
- **#** Concise findings
- **#** Grading
- **#** Evaluators
- **#** Findings
- **#**Typed Checklists



Reporting Process



- **#** Always ensure factual accuracy and agreements with facts prior to issuing.
- **♯** At end of Review provide
 - Documented Out Briefing/Slide Presentation
 - Typed, completed checklists
 - Written draft report (if done)
- ♯ Upon return to FMSC, review and finalize report
- ➡ Present official findings to FMSC leadership



Typical FMSC IC Schedule



- # Monitor all FMSU/FMSC TOA
- #90 Days FMSU IC Review
- #90 Days FMSC IC Review
- **■** Staff Assisted Visit



Testing



- #First 10 Days TOA
- #90-180 Days FMSU Operational Review
- #90-180 Days FMSC Operational Review
- When needed Staff Assisted Visit



Current Trends



- **#**Operational Review Focus
 - Banking and Disbursing, CVS and Pay Support
 - Smaller reviews such as ECC, DDS, TASOs, etc.
- **#**Overall results positive
- **♯**Common areas of concern
 - Physical security and key control
 - Separation of Duties/accesses
 - Cross training plans
 - Pay agent documentation



Loss of Funds



♯Track loss of funds reports.

♯Look for consistent internal control weaknesses that should be addressed.

#Report to OIC any new loss of funds and IC related concerns based on loss.

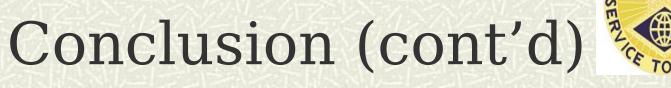


Conclusion



- **★**The Internal Control team is the first line of defense for the FMSC
- **♯**Key interaction with FMCo and sites
- **#**Subject Matter Experts
- **♯**Complete and defendable documentation
- #Flexibility and professionalism
- **♯**Reports are visible to several levels







- #Always better to work with the Site than against them.
- ♯ Remember "I'm from IC and I'm here to help"
- **#** Client site will then truly say
 - "We're glad to see you." and then
 - " Come back again"
- #Consider the motto "I will not be a barrier"



INTERNAL CONTROL PROGRAM





Remember...the War On Terror...is one America can't afford to lose.





QUESTIONS?